Approved For Release 1999/09/27 : CIA-RDP91-00965R000400260003-6 CONGRESSIONAL RECORD — SENATE

spite the disappointment in the countries not visited, is unquestionably great.

He is the ceremonial President; the President who symbolizes and who speaks for a generous, idealistic America. With his vast reputation as soldier-hero for peace he is

ideally equipped for the role.

But as recent events have begun painfully to show once again he is not the President who takes the hard, tough decisions and thereby sets a clear policy line for all in his administration to follow. The drift is conspicuous and above all in vital areas of foreign policy. Decisions are put off and put off until now with only 11 months to go President Eisenhower's successor is likely to find a truly appalling array of unresolved problems awaiting him.

The drift is well-illustrated by the effort to

The drift is well-illustrated by the effort to shape up within the Government here an agreed disarmament position for a March 15 deadline. On that date in Geneva the representatives of five Western powers sit down across the table from five Soviet-bloc powers to start the long, tedious effort to cut back the arms burden with proper in-

spections and controls.

First the differences within the State Department, the Pentagon and the Atomic Energy Commission on the proper approach had to be worked out. Then the far-deeper divergencies between these three separate legs of the disarmament stool had to be reconciled. This last is a process that has really not yet been completed, although in the past few days progress has been made.

the past few days progress has been made. When the negotiators for the other four Western powers—Canada, Great Britain, France and Italy—came here they were dismayed to find how much was still to be done within the American Government.

There was something almost comic about the behind-the-scenes attempt to find a way to put forward the March 15 deadline without asking the Communist bloc for a postponent. It happens that Geneva will be filled to the rafters on March 15. A conference on the law of the sea with representatives of 83 nations is to be held under United Nations auspices. At the same time the marathon conference on nuclear testing will still be going on

still be going on.

In a message to the U.N. Secretariat the American negotiator, Frederick Eaton, suggested that the strain on hotel rooms and U.N. interpreters might be too great, so wouldn't it be better to put off the disarmament talks for 2 or 3 weeks. Back came the prompt reply that this presented no problem and all would be in readiness for March 15.

In the talks with the Soviet Union and

In the talks with the Soviet Union and Britain, loking to a ban on nuclear tests, the same indecision growing out of a conflict within the Government here has been evident. Currently a hopeful approach to a nearly cheat-proof detection system, in the view of distinguished atomic scientists, is in the addition to the detection network of a series of unmanned seismic stations to pick up small earth shocks.

A push to prove this up might get the conference over the last hurdles. But the push is not evident. The probability today, therefore, is that no agreement will be reached in time for a treaty to be put before the Senate. It will go over until January, which will mean that for $2\frac{1}{2}$ years the United States will have had the worst of both worlds—refraining from testing without getting concessions from the Soviets in the form of an inspection system.

The late John Foster Dulles had the President's confidence so completely that he could force through decisions over intergovernmental opposition. No one could reasonably have expected his successor, Secretary of State Christian A. Herter, in a short time to achieve the same working relationship.

The fault may lie with the Presdency itself. Perhaps it is unreasonable to expect a

President to be many men. But in his 7 years in the White House President Eisenhower has shown little awareness of what may be wrong with the office and what could be done about it.

be done about it.

FEDERAL CONFLICT-OF-INTEREST
LAWS

Mr. PROXMIRE, Mr. President, this morning's New York Times carries a complete summary of an exceedingly interesting and constructive program to improve the Federal conflict-of-interest laws. This program is proposed by a committee of the Association of the Bar of the City of New York.

Among other proposals this committee recommends for the first time a ban on gifts to Federal employees from favor-seeking individuals or corporations.

It also recommends, Mr. President—Each committee of the Senate considering a presidential nominee for confirmation should be given the benefit of a full analysis, prepared by the administrator in consultation with the Department of Justice, of any conflict-of-interest problems the nominee's particular situation may present. The confirming committee should give due consideration to this anlysis and the protections afforded by a modern and effectively administered overall scheme of conflict-of-interest restraints, if one is put into effect.

The committee further recommends: The Congress should initiate a thorough study of the conflict-of-interest problems of Members of Congress and employees of the legislative branch of the Federal Government.

Mr. President, it is my understanding that the two Senators from New York will introduce legislation to carry out all of the recommendations of this distinguished panel of outstanding New York lawyers. From my reading of the news article concerning the report and of the official summary, I commend the New York Senators for their action, and pledge them my enthusiastic support for principles indicated in the summary of the report.

Mr. President, I ask unanimous consent that the news article reporting this program, as carried in the New York Times, and the official summary of the study on conflict of interest, be printed in the Record at this point.

There being no objection, the article and summary were ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 23, 1960] U.S. Reform Urged on Job Conflicts—City Bar's Survey Asks Ban on Employee Gifts in New Law on Dual Interests

(By W. H. Lawrence)

Washington, February 22.—A broad program to close gaps in conflict-of-interest laws covering 4,900,000 Federal executive and military personnel was recommended to Congress today. It was submitted by a special committee of the Association of the Bar of the City of New York.

The recommendations, growing out of congressional investigations of governmental scandals, proposed for the first time a ban on gifts to Federal employes by favor-seeking individuals or corporations. Also proposed was a prohibition on the use by governmental officials of their offices to induce acts from which they would benefit economically.

REMINDER OF RESIGNATIONS

The 600-page report called to mind the resignations under fire of Sherman Adams, formerly President Eisenhower's chief assistant; the late Harold E. Talbott, formerly Secretary of the Air Force and Richard E. Mack, a former member of the Federal Communications Commission.

Inferentially, at least, the report was critical of the many gifts accepted by President Eisenhower and placed on his farm at Gettysburg, Pa.

But the bar group said its aim was not alone to tighten Federal controls against misconduct by employes.

Equally important was the committee's intention to clarify, and, in some respects, modify present laws. Such changes would seek to make it easier for the Federal Government to recruit badly needed executives, especially for short-term assignments.

An important provision to assist Federal recruitment would allow persons joining the Government to retain "certain security-oriented economic interests, such as continued participation in private pension plans." Also suggested were trust arrangements under which Government officials might not be required to dispose of vast amounts of stock as was required by Charles E. Wilson before his confirmation as Secretary of Defense.

LONG-TERM POLICY URGED

"We need," the committee declared, "a long-run national policy which neither sacrifices governmental integrity for opportunism nor drowns practical staffing needs in moralism. We need a careful regulatory scheme that effectively restrains official conflicts of interest without generating pernicious side effects on recruitment."

The committee of 10 practicing lawyers, headed by Roswell B. Perkins of New York, concluded that "the legal and administrative machinery of the Federal Government for dealing with the problems of conflicts of interest is obsolete, inadequate for the protection of the Government, and a deterrent to the recruitment and retention of executive talent and some kinds of needed consultative talent."

The 2-year study, released simultaneously here and in New York, was financed by grants totaling \$72,500 from the Ford Foundation.

Legislation carrying out the 13 main recommendations of the report will be introduced in the House of Representatives tomorrow by Representative John V. Lindsay, Manhattan Republican and a member of the committee, and in the Senate by New York's two Republicans, JACOB K. JAVITS and KENNETH B. KEATING, and JOHN A. CARROLL, Colorado Democrat.

APPLICATION LIMITED

The recommendations apply only to employes of the Executive Branch and to members of the armed services. The bar committee suggested, however, that Congress should initiate a thorough study of the conflict-of-interest problems among Members of the Congress and other employees of the Federal Government,

The report also exempted the President and Vice President from the proposed new controls, but the committee gave the President this direct advice:

"In all matters within the Executive Branch the key figure must be the Chief Executive. Much of the difficulty characterizing the present pattern of conflict-of-interests restraints is traceable to the lack of an established role to be played by the Presidency. Present restrictions in the field are the product of sporadic congressional action and scattered agency energy. The voice that should be most heard in the administration of executive branch personnel is that of the Chief of the executive branch.

February 23

The bar committee did not refer directly to the shower of gifts in equipment, cattle, and similar items that have been placed on the Eisenhower farm at Gettysburg, but it did say that every President should set an example for other Federal employees.

"The behavior of Department heads and of their juniors will be powerfully influenced by the standards of behavior set by example in the White House," the report said.

"For example, although the flow of gifts, most of them symbolic in nature, to 1600 Pennsylvania Avenue, probably cannot and should not be stemmed, the matter of how the White House disposes of these gifts is very delicate. The soundest approach to this problem appears to be an invariable practice of passing such gifts along to charity or to the National Museum.

"In all other aspects of personal behavior. in relation to those who may be regarded as secking to advance their particular economic interests, the greatest circumspection should be used by all Presidents."

Basic recommendations of the committee

'Conflict-of-interest problems should be recognized and treated as an important, complex, and independent subject of attention and concern in the management of the govermental establishment.

The present scattered and uncoordinated statutes relating to conflicts of interest should be consolidated into a single unified act, with a common set of definitions and a consistent approach. Archaic provisions should be repealed.

Restraints in present statutes should be greatly expanded in their scope by making them applicable to essentially all matters in which the public deals with the modern Federal Government.

Certain important restraints now covered in regulations or not at all should be included in the basic statutes, particularly restraints relating to receipts of gifts and coercive use of office.

The statutes should permit the retention by Government employees of certain security-oriented economic interests such as continued participation in private pension plans.

[From the New York Times, Feb. 23, 1960] SUMMARY OF STUDY ON INTEREST CONFLICTS IN U.S. JOBS

INTRODUCTION AND SHORT SUMMARY

We are today releasing a prepublication edition of a report based upon more than 2 years of study of the socalled conflict-ofinterest laws of the Federal Government. Also, we expect that there will be introduced today in both Houses of Congress a proposed executive conflict-of-interest act, which has been drafted by this committee and which is designed to remedy the manifold defects of the present law. Our findings and recom-mendations, which are set forth in the report, are expressed in statutory form in the proposed act.

The report will be published in the fall by the Harvard University Press.

This committee is issuing this prepublication mimeographed edition of its report so that it will be available at the public hearings on the topic of the conflict of interest laws which commenced on February 17, 1960, before the Antitrust Subcommittee of the Committee on the Judiciary of the House of Representatives. The House Judiciary Committee, under the chairmanship of Representative EMANUEL CELLER of New York, has already made an important contribution to the wider understanding and improvement of this confused, but crucial, area of law and public administration. The public hearings, which has just opened, should further advance the cause of urgently needed reform. Accordingly, we have distributed some 200 mimeographed copies of prepublication edition of the report to Members of Congress, the press and to various Federal departments and agencles.

This official summary has been prepared for the information and guidance of those interested persons to whom the report is not available and as a guice to the report.

A. OBJICTIVES

The report of the committee has two temes. The first is that ethical standards themes. within the Federal Government must be beyond reproach, and that there must, accordingly, be effective regulation of conflicts of interest in Federal employment. The second is that the Federal Government must be in a position to obtain the personnel and information it needs to meet the demands

of the 20th century.

These themes are coequal. Neither may be safely subordinated to the other. What is needed is balance in the pursuit of the two objectives. We need a longrun national policy which neither sacrifices governmental integrity for opportunism nor drowns practical staffing needs in moralism. We need a careful regulatory scheme that effectively restrains official conflicts of interest without generat ng pernicious side effects on recruitment.

The basic conclusion of the committee is that such a scheme can be worked out. The report and the proposed act contain a recommended new program for achieving this result.

B. ASSESSMENT OF IXISTING RESTRAINTS

The committee has concluded that the legal and administrative machinery of the Federal Government for dealing with the problem of conflicts of interest is obsolete, inadequate for the protection of the Government, and a deterrent to the recruitment and retention of executive talent and some kinds of needed consultative talent.

1. Obsolence

The statutory law-most of it a century old-is not broad enough to protect the Government against the manifold modern forms of conflict of interest. Most of the statutes were and are pointed at areas of risk that are no lorger particularly significant, mainly the prosecution of Government claims. Today, with the greatly expanded regulatory fur ctions of the Federal Government, applications for rulings, clearances, approvals, licenses, certifications, grants and other forms of Government action are far more significant in the daily operation of Government than the prosecution of claims. Several of the basic statutes now on the books do not concern themselves at all with these ruodern governmental activities.

Other aspects of obsplescence in the present statutes are:

(a) Their focus of Interest upon a class of lower ranking politically appointed clerks that has disappeared. The Government today obtains its manpower through a vast civil service, a top layer of short-term political appointees, an increasing group of advisory and part-time personnel, and through an unlimited variety of contracts for services

provided by non-Government personnel.

(b) Their failure 10 recognize internal procedures of modern government, such as the flexible processes of personnel admin-istration available to issist in enforcement.

(c) Their lack of recognition of the facts of modern economic life, such as the existence of private pension plans.

(d) Their failure to recognize the essential blending of public and private endeavor in the modern American society, as illustrated by the partnership of Government, industry, and educational institutions in the science field.

2. Inadequate idministration

Partly by reason of the deficiencies in the statutory law, administration of the conflict-

of-interest restraints has always been weak. The Government has failed to provide a rational, centralized, continuing and effective administrative machinery to deal with the problem. If the statutes presented a coordinated whole—a unified program—and if they imposed direct responsibility on the President to carry out that program, the central coordination and leadership missing in the past would improve. A well-administered program could, and should guide the thousand good men as well as snare the one bad one.

3. Uncertainty in interpretation

Enacted fitfully over a 100-year span, the uncoordinated statutes are inconsistent, overlapping and at critical points defy interpretation.

4. The Congress

Congress has done a useful and constructive job in its capacity as investigator. But the Senate confirming committees have seldom considered the overall issue of conflict of interests in relation to recruitment. The Armed Services Committee has applied wavering standard of stock divestment, useful for certain purposes, but overempha-sizing one single source of conflict-ofinterest problems and having little bearing on the question of actual official conduct.

5. Recruitment

The main adverse effect of the present system is its deterrent effect on the recruitment and retention of executive talent and some kinds of consultative talent. The restrictions tend to encircle the Government with a barricade against the interflow of men and information at the very time in the Nation's history when such an interflow is most necessary.

C. RECOMMENDATIONS

The defects in the present law cannot be cured by tinkering. A thoroughgoing re-construction is called for—a new program of controls designed for modern needs, providing for adequate administration and written as an integrated unit. The program must achieve-a balance between the Nation's need for protection against conflicts of interest and its need for personnel.

The committee's basic recommendations

are these:

1. Conflict-of-interest problems should be recognized and treated as an important, complex, and independent subject of attention and concern in the management of the governmental establishment.

2. The present scattered and uncoordinated statutes relating to conflicts of interest should be consolidated into a single unified act, with a common set of definitions and a consistent approach. Archaic provisions should be repealed.

3. The restraints contained in the present statutes should be greatly expanded in their scope by making them applicable to essentially all matters in which the public deals with the modern Federal Government.

4. Certain important restraints now covered in regulations or not at all should be included in the basic statutes, particularly restraints relating to receipt of gifts and coercive use of office.

5. The statutes should permit the retention by Government employees of certain security-oriented economic interests, such as continued participation in private pension plans.

6. Wherever it is safe, proper, and essential from the viewpoint of recruitment, the statutes should differentiate in treatment between regular employees and citizens who serve the Government only intermittently, for short periods, as advisers and consultants.

7. Regular, continuing, and effective enforcement of the law and regulations should be assured by emphasizing administrative remedies rather than the clumsy criminal penalties of present law.

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8. The evatutes should create the frame-work for active and effective administration of the system of conflict-of-interest restraints, headed up with clear responsibility in the President. The President should designate, pursuant to the proposed act, an Administrator to assist him in this function.

9. In addition to the statutes themselves, there should be a second tier of restraints consisting of Presidential regulations amplifying the statutes and a third tier consisting of agency regulations tailored to the needs of particular agencies. The responsi-bility for day-to-day enforcement of the statutes and regulations should rest upon agency heads.

10. At all levels of administration potential conflict-of-interest problems should be headed off by preventive action, such as, for example, orientation programs for all new employees to acquaint them with the applicable conflict-of-interest rules, and periodic reminders as to such rules.

11. There should be more effective pro-hibitions and penalties applicable to persons outside Government who induce or partici-pate in conduct by Government employees in violation of the conflict-of-interest laws.

12. Each committee of the Senate considering a presidential nominee for confirmation should be given the benefit of a full analysis. prepared by the Administrator in consultation with the Department of Justice, of any conflict-of-interest problems the nominee's particular situation may present. The confirming committee should give due consideration to this analysis and to the protections afforded by a modern and effectively administered overall scheme of conflict-of-interest restraints, if one is put into effect.

13. The Congress should initiate a thorough study of the conflict-of-interest problems of Members of Congress and employees of the legislative branch of the Federal Government.

The program advanced here will not solve the problem of conflict of interests in Federal employment. Like most problems, this is one we must live with permanently, strive to mitigate, and adjust to. The program proposed, however, will do several things.

It meets the flaws of the present pattern of conflict-of-interest restraints-obsolescence, weakness of administration and faulty drafting. It would greatly strengthen the main policy of the conflict-of-interest statutespreservation of the integrity of Government. It would provide for an integrated and comprehensible system of standards and sanctions, together with an effective machinery for administering that system. It is grounded upon a realistic conception of the problem of conflicting interest as it appears in the modern setting of American Government and society. It would make a signifi-cant contribution toward intelligent staffing of the Federal Government for world leader-

[From the New York Times, Feb. 23, 1960] BAR COMMITTEE'S MEMBERS

Following is a list of the members of the Special Committee on the Federal Conflict of Interest Laws of the Association of the Bar of the City of New York:

Howard F. Burns, partner, Baker, Hostetler & Patterson, Cleveland; member of the Council of the American Law Institute.

Charles A. Coolidge, partner, Ropes, Gray, Best, Coolidge & Rugg, Boston: former Deputy Director of Internal Security Affairs, Department of State.

Paul M. Herzog, executive vice president of the American Arbitration Association, New York; former chairman of the National Labor Relations Board: former associate dean of the Graduate School of Public Administration, Harvard University.

Alexander C. Hoagland Jr., practicing lawyer associated with Curtis, Mallet-Prevent Colt & Mode New York City.

vost, Colt & Mosle, New York City.

Everett L. Hollis, corporate counsel, General Electric Co., New York City; former General Counsel, Atomic Energy Commission.

Charles A. Horsky, partner, Covington & Burling, Washington; former assistant prosecutor at Nurnberg with the Chief of Counsel for War Crimes.

John V. Lindsay, U.S. Representative from the 17th Congressional District, New York; partner, Webster, Sheffield & Chrystie, New York City.

John E. Lockwood, partner, Milbank, Tweed, Hope & Hadler, New York City; for-mer General Counsel, Office of Inter-American Affairs.

Roswell B. Perkins, chairman, partner; Debevoise, Plimpton & McLean, New York City; former Assistant Secretary of Health, Education, and Welfare; former counsel to the Governor of the State of New York.

Samuel I. Rosenman, partner, Rosenman, Goldmark, Colin & Kaye, New York City; former special counsel to Presidents Roosevelt and Truman; former justice of the Supreme Court of the State of New York.

Mr. JAVITS. Mr. President, I thank my colleague from Wisconsin for his kind words. I am about to introduce the bill on the subject to which reference has been made. Though I am introducing it today with my colleague from New York [Mr. Keating] as a cosponsor, because obviously this is a matter which comes from our own community, and I happen to be a member of the association of the bar, and it is my own bar association, and I worked with it in this whole effort, I do believe if, after the bill has been introduced, other Senators would like to join in cosponsoring it, I would be more than happy to welcome them as cosponsors, and I shall ask unanimous consent, after the bill is introduced, that other Senators may cosponsor it.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. PROXMIRE. I thank the Senator from New York very much for his generous offer. I am delighted to have the opportunity to cosponsor the bill. I want to apologize for perhaps "jumping the The Senator understands how gun." these things take place on the floor, in view of committee meetings and appointments that we have. I wish to emphasize that the Senator from New York is taking the leadership in this matter, and I am delighted to have an opportunity to follow him.

CIVIL RIGHTS

Mr. YOUNG of Ohio. Mr. President, it is my fervent hope that the great debate in which we are presently engaged will lead to legislation establishing for all time first-class citizenship for all Americans.

For too long, a huge segment of Americans has been denied the basic rights our forefathers envisioned when they conceived the Constitution of the United

It is left to us, now, to guarantee those rights for all our citizens.

No greater issue faces our country today than the problem of carrying forward the integration decisions of the Supreme Court and guaranteeing the civil rights of all Americans.

We, as a nation, have carried the torch of liberty higher and more proudly than any other nation in history, on the other hand, we have tolerated social and economical segregation of 15 million of our fellow Americans.

These two traditions are mutually exclusive, and one of them will have to yield. If our country is to survive, discrimination because of race or color must be eliminated. The breathtaking pace of modern life no longer permits slow. leisurely adjustments to reality.

This fact has been widely recognized for some time. The Civil Rights Act of 1957 was based on this recognition. This was merely a preliminary measure in the drive to secure civil rights for all Americans.

Unfortunately, the Civil Rights Commission established in 1957 had to cope with innumerable difficulties. Many obstacles were placed in its path.

Its efforts to investigate denials of the right to vote were prevented by open definance of local authorities; sometimes by violence and complete lack of cooperation of officials from the States involved.

Mr. President, the conclusion is unavoidable that there are persons seeking by every possible means to keep the Negro confined within the "Uncle Tom" image which they themselves created in an era which died nearly 100 years ago.

They simply refuse to recognize the Negro as a doctor, lawyer, teacher, businessman, or responsible citizen. Consequently, they have thrown up barriers against Negro voting.

In some instances they have gone so far as to purge registered voters from the lists. Their weapons in this rearguard action against progress and decency have been threats, violence, subterfuge, and the most maddening chicanery.

Voting however, is only a part of the civil rights problem. Another, and equally important part is education. Since the Supreme Court led the way by rejecting that tired old contradiction "separate but equal," 5 years ago, the struggle for desegregation has occupied the attention of the country.

The Eisenhower administration heretofore has paid only lipservice to the great cause for which this struggle is fought.

Lipservice is not leadership. Pious evasions do not solve problems, but merely perpetuate them. When President temporizes on such a vital issue, defiance of the law is encouraged. contempt for the law is fostered.

Mr. President, despite the proclamations of opponents of civil rights legislation, there is nothing immoderate, arbitrary nor dictatorial in providing a definite civil rights law. We do not seek to establish new rights. We seek only to preserve old rights-rights as old as mankind itself.

We should have no sympathy for those who believe that the best the Congress should do for Negroes is to give them a license to fight for their Godgiven rights, while Congressmen remain idle by the roadside to see if they can win them.

The Federal Government must not remain neutral nor be a mere onlooker. We, who are Senators of the United States, must exercise our responsibility to the Constitution and to millions of Americans who have heretofore been treated as second-class citizens.

This year, we must go on record as saying that enforced racial segregation in public schools violates the 14th amendment to the Constitution of the United States.

We must provide an orderly program for financial aid by the Federal Government to help and hasten public school desegregation. The South will be faced with a very real physical problem of dislocation and temporary disorganization when segregated education is abandoned.

The Attorney General should be authorized to seek civil court remedies to accomplish public school desegregation and to protect individuals who are being denied the equal protection of the laws on the basis of race, color, religion, or national origin.

The right to vote must be protected either by Federal registrars or by referees. Under penalty of criminal law, election records must not be destroyed. Adequate procedures should be established for their inspection by the Attorney General.

All tests—questions and answers—for registration or voting in Federal elections should be required to be printed or written

Finally, the Federal criminal law should be extended to punish flight across a State line to avoid punishment for damaging or destroying any building or vehicle.

Mr. President, with these provisions included, we would have an effective Civil Rights Act.

American democracy demands no less.

THE INDUSTRIAL SECURITY PROGRAM

Mr. KEATING. Mr. President, last June the Supreme Court in the Greene case invalidated the Defense Department's industrial security clearance program on the ground that the program was not authorized either by statute or Executive order. The Court made it clear that it was not determining whether the President or the Congress had power to fashion such a program, and was only deciding that the procedures followed by the Department of Defense had not been expressly sanctioned. In the language of the majority opinion:

Before we are asked to judge whether, in the context of security clearance cases, a person may be deprived of the right to follow his chosen profession without full hearings where accusers may be confronted, it must be made clear that the President or Congress, within their constitutional powers, specifically have decided that the imposed procedures are necessary and warranted and have authorized their use.

The President has now issued an Executive order prescribing the standards and procedures for granting individual defense workers the privilege of access to classified defense information. I have reviewed this order and I believe that it will guarantee essential fairness

to employees in such cases without unduly undermining necessary security safeguards. The President certainly must be commended for taking the action needed to reestablish this program on a proper basis.

It should be understood, however, that the President's action does not obviate the necessity for legislation. The majority opinion in the Greene case made it clear that the Court did not decide that "the President has inherent authority to create such a program or whether congressional action is necessary." Under these circumstances, the best way to assure operation of this program without further legal jeopardy is for Congress to enac; a supporting bill.

On July 21, 1959, I introduced, on behalf of the distinguished Senator from Connecticut [Mr. Don] and myself, a bill (S. 2416) for this purpose. This bill in many respects parallels the President's Executive order. It requires a written statement of the reasons for any denial of clearance, an opportunity to reply, a hearing, review by the head of the agency or other officer designated by the President, and a written decision. The bill provided that all hearings under its provisions should be conducted in such manner as to assure the applicant of a full disclosure of any evidence against him and confrontation of all adverse witnesses, with certain limited exceptions. At the time this bill was introduced I explained on the Senate floor that it was "designed to provide for a continuance of an effective industrial security program and at the same time to introduce as many safeguards against unfairness or arbitraly action against an individual as is possible without undermining our security system. It is designed to assure that no individual will be denied clearance as a result of idle rumor or gossip. It recognizes the importance of disclosure and a right of confrontation to the ascertainment of truth where facts are in dispute, without interfering with the work of regular investigative agencies. While it does not convert the clearance system into a judicial trial, it is intended to provide safeguards necessary to deal fairly with anyone who may become involved in such proceedings."

Mr. President, these comments are entirely applicable to the recently issued Executive order. I believe, therefore, that the bill which Senator Dodd and I introduced may well serve as the framework for congression ul authorization for this program. While some changes in phraseology undoubtedly will be required, a bill along the lines of S. 2416 would fulfill our legis ative obligations in this field.

This is a very important program affecting millions of pr vate employees engaged in defense worl:. I hope that Congress will soon act to remove any continuing legal cloud over its operations.

Mr. President, this morning's New York Times editorially commends the Executive order as the "latest move in an attempt to reconcile the security of the citizen with the security of the Nation." While it expresses some reservations about one exception in the Executive

order, the editorial states that "several million persons who work in defense industries should find their jobs and reputations more secure" under its provisions.

Mr. President, I ask unanimous consent that this editorial be printed at this point in the Record.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 23, 1960] THE NATURE OF SECURITY

Several million persons who work in defense industries should find their job and reputations more secure because of an Executive order issued by President Eisenhower. The President's order is, indeed, the latest move in an attempt to reconcile the security of the citizen with the security of the Nation.

Last June, in the case of Greene v. McElroy, the Supreme Court held that when a worker in a sensitive defense industry was forced out of his employment on charges not supported by the test of confrontation and cross-examination the Government was exceeding its statute authority. Chief Justice Warren, writing the majority opinion, dismissed the question of constitutionality. He merely held that the Defense Department was assuming powers it did not legally possess.

The new Executive order is manifestly an attempt to do three things: First, to legalize whatever screening processes may be necessary; second, to eliminate as far as is possible (to quote the Chief Justice) "the testimony of individuals whose memory might be faulty, or who, in fact, might be perjurors or persons motivated by malice, vindictiveness, intolerance, prejudice or jealousy"; third, to meet such constitutional objections as might arise.

We must not forget that even though no criminal charge is involved, the security procedure sometimes inflicts a heavy penalty on an individual. In the Greene case, for example, a highly competent aeronautical engineer was discharged from an \$18,000-a-year job and had to take one paying only \$4,700 a year.

The new order puts more emphasis upon the individual's right to confront and cross-examine his accusers. The exceptions are intended to protect witnesses whose identity must be kept secret in the interests of national security; identify witnesses who are sick, dead, or otherwise unable to appear, and give discretion to department heads to withhold names for good and sufficient reasons.

The last exception is the trickiest. We can't yet say that an accurately just balance has been reached between private and public security. However, some progress has been made, and if necessary the Supreme Court can still pass on the basic constitutional issue of a confrontation. Sooner or later we must ask ourselves what security is—that is, whether it consists in the liberties of the citizen or in the smooth functioning of the agencies of Government.

COMMENTS ON A WORLD TRADE CENTER FOR NEW YORK CITY

Mr. KEATING. Mr. President, I again call the attention of the Senate to a proposal recently announced by the Downtown-Lower Manhattan Association of New York City that the Port of New York Authority undertake a study of the planning, financing, and activating of a World Trade Center for New York City. I am delighted that the Port of New York Authority has now initiated a thorough and far-reaching study of this proposal.